

City of Mt. Pleasant

Central Business District (CBD) Tax Increment Finance Authority (TIFA) Mission-Pickard Downtown Development Authority (DDA) Industrial Park North TIFA

MINUTES OF THE REGULAR MEETING

February 11, 2016 10:00 AM
City Hall, Conference Room A

I. Call to Order

The meeting was called to order by Vice-Chair Rich Swindlehurst at 10:00 am.

Present: Tim Coscarelly, John Hunter, Tom Krapohl, Lisa Orlando, Nancy Ridley, Jeff Smith, Rich Swindlehurst (Vice-Chair),

Absent: Tim Driessnack (Chair), Margaret McAvoy, Rick McGuirk, Brad Wahr

Also attending: (Staff): Jacob Kain, Mary Ann Kornexl, William Mrdeza, Michelle Sponseller
(Others): Brandon LaBelle, Doug Labelle, II

II. Approval of Agenda

Mrdeza asked to add: Discussion on 2017 Capital Improvement Program Request as item 3 under the DDA portion of the agenda. It was moved by Coscarelly, seconded by Krapohl, to approve the agenda as amended. **The motion passed unanimously.**

III. Approval of the January 14, 2016 Meeting Minutes

It was moved by Ridley, seconded by Smith, that the January 14, 2016 meeting minutes be approved as presented. **The motion passed unanimously.**

IV. Old and New Business

A. TIFA

1. Update on the Façade Improvement Program Guidelines

Mrdeza reminded the Board that Michelle Sponseller was in the process of revising the guidelines for the façade improvement program, a draft of which was presented at the last meeting. As a result of that discussion and the suggestions made, the draft guidelines were revised and were being sent for legal review. In addition to the legal review, Mrdeza and Sponseller will schedule a meeting with the EDC Board, asking that they consider transferring

the remaining revolving loan funds to the TIFA Board for use with the façade program. Assuming the EDC agrees to this, final approval of the revolving loan fund transfer will need to also be approved by the City Commission since these were originally Economic Development Fund monies allocated to the EDC. The result of this action and subsequent approvals would result in initial funding for the façade program of slightly more than \$70,000.

2. Other

Mrdeza reminded the Board that at the last meeting, McAvoy requested a breakdown by taxing jurisdiction of the approximately \$125,925 in funds remaining in the TIFA budget that will be distributed back to the various taxing jurisdictions as a result of the expiration of the University Park TIF district. These numbers were not available by the time of this meeting, but Mrdeza indicated they will be presented to the TIFA Board at the March meeting.

Sponseller reported that reconstruction work on Parking Lot #3 (Town Center) will be delayed until 2017. Originally the work was scheduled to be completed in 2016, but staff realized that Broadway was to be reconstructed in that same area in 2018. It therefore made little sense to potentially tear up parts of the work scheduled for 2016 in two years if a better project could be built by adjusting the schedule of both projects to coincide in 2017. Sponseller anticipated preliminary design plans would be available for review and comment in several months.

Mrdeza reported that all the power poles have finally been removed from Jockey Alley; the only work left for Consumers Energy to complete is the replacement of the concrete around the permanent pole on Court Street next to Isabella Bank. This work will be scheduled in the spring once the weather warms up. Swindlehurst inquired about the status of the warranty work for the defective concrete in parts of Jockey Alley and Franklin Street. Mrdeza indicated that negotiations between the contractor and the City have been on-going and that DPW staff are taking the lead on this. He will check on the status and report back at the next meeting.

B. DDA

1. Campus Commons (LaBelle Management) Mission Street Development Incentive Requests

Mrdeza presented two funding requests from LaBelle Management related to their proposed Mission Street Campus Commons project. The first request was for incentives regarding decorative fencing and the closure of an existing driveway in accordance with the adopted Mission Street Access Management Plan. Both of these were conceptually presented to the DDA Board at their August, 2015 meeting. The requested amounts are based on actual contractor bids, including three bids for the driveway closure. The request is summarized below:

Item	Base Bid	Recommended Funding
Decorative fencing and masonry piers	\$19,500.00	\$9,750.00 (50%)
Driveway closure on Mission Street per Access Mgt. Plan	\$11,692.25	\$11,692.25 (100%)
Totals	\$31,192.25	\$21,442.25

Based on the above request and the bids received, it was moved by Ridley, seconded by Krapohl, to approve an incentive funding request not to exceed \$21,442.25 as recommended. **The motion passed unanimously.**

Mrdeza next presented the costs associated with the construction of the grid street to be constructed as part of the Campus Commons property. This project involves two property owners (LaBelle and Gordon Foods), and is part of the approved site plan for the Campus Commons project. Because of this the construction details need to be coordinated and for this reason the developer was asked to undertake the design and construction of the road, to be reimbursed by the City for the actual costs incurred. The developer has worked with Engineering and Community Services staff to make sure the details met City standards and have secured three bids for the proposed work. After additional negotiations between the staff and the developer, the recommendation was made to consider approval of a not-to-exceed amount of \$383,734.81 based on the construction bids presented. An additional development agreement between the City and the developer describing the responsibilities of each party on this project will be prepared separately and presented to the DDA Board for consideration at a future meeting. After some discussion, it was moved by Smith, seconded by Orlando, to approve a not-to-exceed cost of \$383,734.81 for the construction of the grid street. **The motion passed unanimously.** Since this cost is above the amount budgeted for the project, a budget amendment will be prepared for Board consideration at the next meeting. In addition, Mrdeza was asked to send out a copy of the plans for the new street so Board members could see the details of the proposed project.

2. Update on Mission Street Intersection Enhancement and Traffic Light Replacement Project

Mrdeza updated the Board on the Mission/Broadway and Mission/Michigan intersection maintenance work from last year. He reminded the Board that they agreed to a total budget of \$64,090 for upgrades to the basic MDOT signal designs at those locations when MDOT performed the work. The City was recently notified that due to some cost savings, MDOT expects the total cost to be close to \$55,500, a potential savings of \$8,590. Once the final bills from MDOT have been received, Mrdeza will provide an update on the actual costs incurred at the two intersections.

3. Proposed 2017 Capital Project—Mission Street Development Plan

Mrdeza explained that staff was in the process of submitting capital improvement plans (CIP) for the five year period 2017-2021 and was proposing to reduce the DDA's 2017 Mission Street incentive funds to \$60,000 and to create an additional 2017 CIP that anticipated the creation of

a proactive plan for Mission Street focused on slowing traffic, respecting the business nature of the corridor, enhancing safety for bicyclists and pedestrians using and crossing the corridor, and envisioning a long term more complete design for the street. He hoped CMU would agree to contribute to the cost of the plan since they have an interest in a better design than currently exists in order for certain elements of their Master Plan to ultimately be successful. Mrdeza explained that the concept was to involve stakeholder input in the design elements and work with MDOT to help implement the improvements over a multi-year period. Mrdeza referenced the update of the City's zoning ordinance and its potential change to a form-based approach as opportunistic timing for such a project.

Board members had mixed reactions to the request, with some expressing satisfaction with past and current efforts at making a difference along Mission Street. There were also some concerns expressed regarding a need for MDOT to embrace the implementation of a new corridor plan, without which it was felt the effort would only result in a waste of time and money. After some additional discussion, it was agreed to allow staff to submit a capital project of this nature for now since final approval will not occur for several months. In the interim, Mrdeza will gather additional information to justify the need for the project and address a strategy for MDOT buy-in, then present that information at an upcoming meeting.

V. Other Business

There was no other business proposed for consideration at this time.

VI. Public Comments

There were no public comments received or offered.

VII. Adjourn

There being no other business, **the meeting adjourned at 11:12 am.**